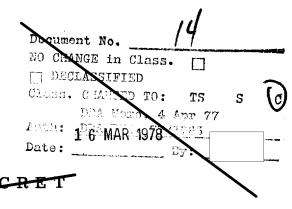
## **EUROPE**

25**X**1

1. FRANCE: Schuman reaffirms French plans for Saar-According to US High Commissioner McCloy in Frankfurt, French Foreign Minister Schuman is determined to acquire 50-year leases for France on Saar coal mines, even though German Chancellor Adenauer has expressed the fear that such French action might endanger Franco-German rapprochement. McCloy adds that Schuman, while emphasizing that any arrangements made now will be subject to review in the peace treaty, apparently also intends to effect some "administrative changes" in the Saar, including converting the Office of the French Commissioner to a Legation. McCloy believes that the 50-year leases would prejudice final disposition of the Saar and agrees with Chancellor Adenauer that the French policy will make Franco-German rapprochement more difficult.

(CIA Comment: CIA agrees that the French policy on the Saar will make the achievement of a Franco-German rapprochement more difficult, and believes that the French Government will probably maintain its present firm stand regarding the Saar.)

State Dept. review completed



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